



United States Department of the Interior

BUREAU OF LAND MANAGEMENT WARM SPRINGS RESOURCE AREA

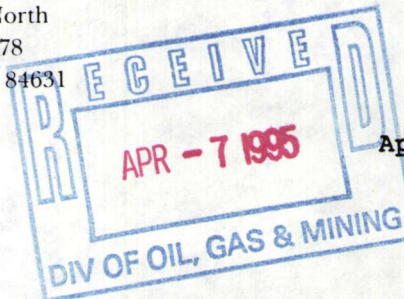
35 East 500 North
P.O. Box 778
Fillmore, Utah 84631



IN REPLY REFER TO:

3800
(U-055)
UTU-070664

April 4, 1995



STEVEN GALE
SRS MINING
PO BOX 855
BEAVER UT 84713

Dear Mr. Gale:

The amendments to include, in your notice case file number UTU-070664, the unpatented mining claims, Bud #'s 4 and 5, located in Secs. 23 and 26, T. 23 S., R. 9 W., SLBM, were received on March 17, 1995 and have been accepted by this office. Please use this number in any future correspondence concerning this notice.

If you change your operation from what is described in your notice, you are required to contact this office prior to the change. If your operation extends for more than one year, please advise this office on the status of your mining related activity on the anniversary date of your notice.

Enclosed is a copy of the Conditions of Acceptance for BLM Mining Notices, stipulated by the Richfield District, Warm Springs Resource Area. Please follow these guidelines as they pertain to your operation.

We are of the preliminary opinion the deposit you have claimed is "common variety" and, as such, is not open to location. The proper procedure for mining and disposal of this material is through 43 CFR 3610, mineral material sales, wherein you would relinquish your claims and sign a contract with the Bureau of Land Management to purchase the material at a specified price. We will gladly provide you with information regarding mineral material sales.

If you are convinced that your deposit is locatable, please be aware the Court has set standards to distinguish between common varieties and uncommon varieties of mineral deposits or stone. The standards are:

1. There must be a comparison of the mineral deposit in question with other deposits of such minerals generally;
2. The mineral deposit in question must have a unique property;
3. The unique property must give the deposit a distinct and special value;
4. If the special value is for uses to which ordinary varieties of the mineral are put, the deposit must have some distinct and special value for such use; and
5. The distinct and special value must be reflected in the market place (or in reduced cost or overhead so that the profit to the claimant would be substantially more).

Should a final determination by the Department of Interior be made that this material is, in fact, "common variety", you could be responsible to the United States for the value of this material, damage to the land, and the administrative costs of recovering such compensation.

A copy of your notice has been sent to the Utah Division of Oil, Gas and Mining (UDOGM); therefore, you will not have to file this notice with them. A

copy of your notice has also been sent to the Utah Department of Environmental Quality, Division of Water Quality (DWQ). DWQ should contact you concerning any permits you may need, however their failure to do so does not absolve you from responsibility for obtaining the same.

A permit for explosives may be required from the Bureau of Alcohol, Tobacco, and Firearms (ATF). The address for ATF is

125 South State Street
Salt Lake City, Utah 84145.

If ATF requires a permit, a copy of the permit should be submitted to this office.

If you sell any minerals extracted during your mining activities, the U. S. Department of Labor, Mine Safety and Health Administration (MSHA) may consider your operation to be under its jurisdiction. You should contact them at:

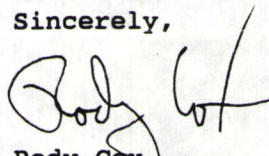
DOL/MSHA
1745 West 1700 South, Room 2040
Salt Lake City, UT 84104

As required by 43 CFR 3809, Surface Management Regulations, reasonable measures must be taken to prevent unnecessary or undue degradation of public lands and reclamation is required at the earliest feasible time. Please notify this office upon completion of operations and reclamation so an inspection may be conducted on the site. Reclamation under this notice is required to conform to the standards of the Utah Mined Land Reclamation Act.

Acceptance of your notice will not now, nor in the future, serve as a determination of the validity nor ownership of any mining claim included under your notice. We would also like to point out to you that Bud #5 is located within a section designated by the BLM as a community pit, and that the BLM may have a superior right to sell the minerals from your claim.

Prior to the commencement of your operations, we would like to meet with you on site to review reclamation practices and initiate a reclamation plan. Please contact this office to arrange the meeting. If you have any questions regarding this letter, please feel free to contact Rody Cox at (801) 743-6811. Thank you for submitting your notice.

Sincerely,



Rody Cox
Geologist

Enclosure:

1. Conditions of Acceptance for BLM Mining Notices (p. 3)

cc: D. Wayne Hedberg, UDOGM (S/023/019)
Kiran L. Bhayani, DWQ
Jerry Reagan, Millard County Planning and Zoning
Sue Oertle
Loy Crapo
Bill Tanner, DOL/MSHA